



## COMMONWEALTH of VIRGINIA

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### **VITA files two additional legal motions against Northrop Grumman**

*~ Seeks to replace inoperable mainframe disaster recovery unit, messaging ~*

RICHMOND -- The Virginia Information Technologies Agency (VITA) has filed two motions in Richmond Circuit Court seeking relief against Northrop Grumman for failure to complete actions required to transition from the company's information technology (IT) infrastructure contract with the commonwealth to new suppliers.

- VITA filed a motion for emergency relief, asking the court to compel Northrop Grumman to open the door to its facility in Russell County, Virginia -- where the commonwealth's disaster recovery systems are located -- so that IBM technicians can replace an inoperable mainframe disaster recovery unit.
- VITA's second motion seeks a court order requiring Northrop Grumman to support the migration of email services, starting with the performance of three simple tasks the company says it is ready to perform so that the transition of the commonwealth's messaging services can move to the new supplier.

Rather than comply with its disentanglement duties plainly stated in the Comprehensive Infrastructure Agreement (CIA), Northrop Grumman has improperly resisted VITA direction, intentionally delayed the transition, and wrongfully refused to relinquish control of (and monthly billing for) the commonwealth's IT systems, all the while demanding tens of millions of dollars in additional fees for transition work it is already obliged to provide under the CIA at no additional cost.

Last Thursday, Northrop Grumman refused to open the door to its Russell County facility where the commonwealth's disaster recovery data systems are located, preventing VITA from replacing a now-inoperable disaster recovery mainframe unit. It is inoperable because of Northrop Grumman's failure to maintain the unit.

Although transition work liability is covered in the CIA, VITA provided additional written assurances further shielding Northrop Grumman from potential liability resulting from allowing the access to the equipment. Northrop Grumman refused to allow the IBM technicians into its facility unless VITA

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Page 2 of 2

agreed to accept broad limitation of liability far beyond those in the CIA. After trying to obtain entry for four hours, the IBM technicians left.

Currently, several state agencies that depend on IBM mainframe data for their daily operations would be effectively shut down in the event of a disaster knocking out operations at the commonwealth's primary data center in Chester. VITA has backups of the mainframe data, but it could take an extended period of time to make the IBM mainframe available.

In the second filing, VITA reports Northrop Grumman has refused to complete three simple tasks it says it is prepared to complete to transition the commonwealth's email system to a new contractor with more effective and less expensive technology. Northrop Grumman continues to bill the commonwealth approximately \$900,000 a month for outdated and unreliable service while the new vendor waits to provide a superior cloud-based messaging service for roughly \$236,000 per month.

VITA states the requested relief "is narrow and imposes no burden on Northrop Grumman." Northrop Grumman says it "stands ready, willing and able to immediately implement the three tasks requested," but refuses to do so unless the commonwealth agrees to release Northrop Grumman from past breaches and future obligations under the CIA, and agrees to pay more money than it is entitled to under the CIA.

Northrop Grumman has managed the commonwealth's IT systems for executive branch agencies since 2006 under the CIA, which expires June 30, 2019. VITA is transitioning those IT systems to new vendors. Throughout the planned transition, Northrop Grumman has used its control of the commonwealth's IT systems to demand broad concessions and limitations of liability with respect to ongoing disputes over the parties' rights, obligations and performance under the CIA.

The two motions were filed yesterday.

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### **About the Virginia Information Technologies Agency (VITA)**

VITA is the Commonwealth's consolidated technology services and solutions provider responsible for the operation of the state's technology infrastructure, governance, security and oversight of major IT projects, and procurement of technology-related goods and services on behalf of state and local governments.

[www.vita.virginia.gov](http://www.vita.virginia.gov)